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United States
Department of
Agriculture

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Food and
Consumer
Service

Reply to

Attn. Of: SP-97-17
CACFP-512
SFSP-314

Mountain Plains
Region

1244 Speer Blvd.
Denver, CO
80204-3581

Subject: 7 CFR 3018 - Lobbying Restrictions

To: STATE AGENCY DIRECTORS - Colorado ED, Colorado DPHE,
(Child Nutrition Programs) Colorado HS, Iowa, Kansas,
Missouri ED, Missouri DH,
Montana OPI, Montana PHHS,
Nebraska ED, Nebraska SS,
North Dakota, South Dakota,
Utah, Wyoming ED, and
Wyoming DHSS

Recently several questions have been raised regarding Lobbying Restrictions and policies relating to the Certification Regarding Lobbying and the Disclosure of Lobbying Activities Certification Form. This memorandum is to summarize the requirements of Section 319 of Public Law 101-121 through the implementation of 7 CFR 3018.

Section 319 of the 1990 Appropriations Act for the Department of Interior and Related Agencies (P.L. 101-121) contained provisions for restricting the use of federal funds to lobby for specific federal awards. It required recipients of federal awards to disclose expenditures made with their own funds for similar purposes. To implement these statutory provisions OMB issued guidance on December 20, 1989 in the Federal Register. It was reissued as a common rule for governmentwide application on February 26, 1990. USDA published the common rule as departmental regulation 7 CFR 3018.

The statute and rules prohibit recipients of federal grants, contracts, loans, and cooperative agreements from using any federal funds to pay any persons to influence federal decision-making in connection with a specific award.

There are also two administrative requirements for recipients of grants and contracts. Grant/contract recipients are required to **certify** that no appropriated funds are used to lobby for specific awards, and submit a **disclosure statement** for any covered activities paid for with recipients' own funds. The certification statement is a condition to enter a grant/contract. Disclosure statements are required whenever recipients have used non-federal

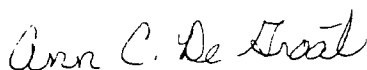
funds to pay persons external to their organization for activities which would be prohibited if federal funds were used, i.e., lobby for a specific federal award or contract.

The disclosure statements must include the name of the lobbyist/contractor, amounts paid, and purposes for which they were paid. This reporting does not apply to payments to regular employees of the organization.

The certification and disclosure statements are required from all primary recipients and any subrecipient (subgrantees and contractors) receiving more than \$100,000 directly from the Federal government or from a primary grantee (State Agency). For grants, the \$100,000 threshold applies to each fiscal year award, or the period of the grant if other than the fiscal year. For contracts, the \$100,000 limit applies to the annual contract period.

Primary grantees (State Agencies) are required to collect the disclosure forms from their subrecipients (contractors, i.e., dairies, food service management companies, which have entered contracts with school food authorities, centers, institutions and sponsors) and submit them to the federal grantor agency (Regional Office - Financial Management). Disclosure reports from primary grantees should also be sent to the FNS Regional Office.

If there are questions concerning these requirements, please call this office at (303) 844-0355.



ANN C. DEGROAT
Regional Director
Child Nutrition Programs